THE HON'BLE SRI JUSTICE L. NARASIMHA REDDY

W.P.NO.3740 of 2007

Dated:09.04.2007

Between:

C. Guruva Reddy and others.

..Petitioners.

and

The Registrar/Commissioner of Cooperative Societies and others.

..Respondents.

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THE HON'BLE SRI JUSTICE L. NARASIMHA REDDY

W.P.NO.3740 of 2007

ORDER:

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The petitioners are the members of Thirupathi Co-operative Bank Ltd., Tirupathi, the 3rd respondent herein, which is now under the administration of a person-in-charge. The grievance of the petitioners is that the 3rd respondent had enhanced the share capital from Rs.50/- to Rs.300/-, by amending the byelaws, contrary to the provisions of the Andhra Pradesh Co-operative Societies Act and the Rules (for short 'the Act and the Rules'). Several contentions are urged by the petitioners, while assailing the action of the 3rd respondent.

The 4th respondent, who got impleaded himself in the writ petition, filed counter-affidavit, *inter alia,* stating that the enhancement of the share capital was in pursuance of an amendment caused to Rule 18 of the Rules, and that the election program was fixed in compliance with the directions issued by this Court in W.P.19990 of 2006, dated 26.10.2006.

Heard the learned counsel for the petitioners, the learned

Government Pleader for Cooperation, and the learned counsel for the 4th respondent.

The amendment of byelaws of the Society was only to be in consonance with Rule 18 of the Rules, which was amended in the year 2002. Therefore, no exception can be taken to the amendment of byelaws. The other grievance of the petitioners is about

person-in-charge of the Society taking initiative for holding the election. Had it been a case where the 3rd respondent initiated the program for conducting the election and appointed an Election Officer, sub-section 7 of Section 32 of the Act would have got attracted.

Time and again, this Court held that a person-in-charge cannot hold the election to the Managing Committee of a Society. However, in the instant case, the Election Authority, i.e., the District Collector, has taken necessary steps in compliance with the directions issued by this Court in W.P.No.19990 of 2006, dated 26.10.2006. The role played by the 3rd respondent is that of a Liaison Officer, than an authority from whom the proposal had initiated. In fact, the 3rd respondent was directed to convene a general body for this purpose. Therefore, Section 32(7) of the Act does not have attracted in the instant case. The petitioners deserve to be given breathing time to comply with the amended byelaws.

For the foregoing reasons, the Writ Petition is disposed of, granting ten days time, from today, to the petitioners, to pay the

difference of share capital. Respondents 1 to 3 shall take necessary steps to comply with the directions issued by this Court in W.P.No.19990 of 2006, dated 26.10.2006. Such of the members of the Society, who pay the difference of the share capital within this period, shall be entitled to be included in the voters' list. There shall be no order as to costs.

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L. NARASIMHA REDDY, J

Dated:09.04.2007

Note:
Issue CC tomorrow.
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